

NLPM-RT-1

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Retail Access Optimization Initiative

Docket No. N2011-1

October 12, 2011

**Responses of National League of Postmasters'
Witness Mark Strong to the United States Postal Service's Interrogatories
USPS/NLPM-1-54**

The National League of Postmasters (the LEAGUE) hereby provides responses to the above-listed interrogatories filed October 3, 2011. Each interrogatory is stated verbatim and followed by the response.

OBJECTIONS

The LEAGUE incorporates by reference all its general and specific objections as though fully set forth herein.¹

¹ Objections and Partial Objections of National League of Postmasters to USPS Discovery Requests, filed on October 12, 2011.

**Response of National League of Postmaster Witness Mark Strong to
Interrogatory of Postal Service**

Respectfully submitted this 11th day of October, 2011.

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CERTIFICATE OF SERVICE

I hereby certify that a copy of these Responses has been served on the United States Postal Service at the following address on this 11th day of October, 2011:

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USPS/NLPM-RT1-1

Please refer to your testimony at page 5, lines 15-17. Explain the basis for your assertion there that the Postal Service intends to discontinue retail operations at all of the Post Offices on the Retail Optimization Initiative candidate list.

RESPONSE:

My testimony says that the Postal Service would not be able to serve rural America just as well as it does now, and certainly not to the maximum degree that it is statutorily required to do, if existing small post offices were closed. The village post office is no substitute. Moreover, the Postmaster General has said that he expects over 15,000 post offices will be closed within the next 6 or 7 years. Granted his public statements say that they will “consider” closing 15,000 but my understanding is that this positioning is simply a “spin” done to give the impression that the Postal Service will go through the procedures set forth in the law and “consider” the needs of the community. I believe that the truth of the matter is that the Postal Service intends to close the bulk of its small post offices, unless it is prevented from doing so.

To me, it is clear that you cannot give the same service in the future as you have in the past when you require someone to drive to a farther town in order to pick up their mail, their hold mail, their accountable, or their notices. Furthermore if a VPO would be the only retail service available and it sells only forever stamps or flat rate priority boxes, it is clear that that town is not getting the same service as they do now, much less the maximum service possible.

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USPS/NLPM-RT1-2

Please refer to your testimony at page 5, lines 20-21, and explain the basis for your assertion that the RAO Initiative reflects a determination by the Postal Service to "concentrate its focus on providing service to large urban and suburban areas."

RESPONSE:

The fact is that the data used to close post offices is data that shows less than 2 hours of earned time. This is driven by volume and a low income area or a rural area generally is going to have fewer pieces per delivery than wealthier urban or suburban areas. The second criteria—offices generating less than 27,000 dollars in revenue—means that fewer facilities in urban areas are going to fit into that category. Moreover, the 27,000 dollars does not take into account the number of customers that may come in and buy small ticket items showing a high use but a low dollar rate per transaction. This leads me to believe that it is rural, low income areas that are being targeted for closure.

Moreover, the graphic on the map on savethepostoffice.com clearly shows that it is rural areas that are being targeted.

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USPS/NLPM-RT1-3.

On page 5, lines 11-12 of your testimony, you express your agreement with statements attributed to Mr. Mark Jamison to the effect that this proceeding consists of "a request to abandon the concept of universal service."

- (a) Please define "universal service" as you understand it.
- (b) Upon what sources of authority do you rely for your definition or understanding of universal service?
- (c) Do you believe that the mere initiation of a feasibility study of a Post Office, station, or branch for discontinuance amounts to a denial of universal service?
- (d) If the answer to part (c) is affirmative, please explain your answer.
- (e) Do you believe that universal service is equivalent to access to retail and delivery services? Please explain.
- (f) Do you believe that the concept of access to retail and delivery services is a subset of universal service? Please explain.
- (g) Do you believe that the concept of universal service is a subset of access to retail and delivery service? Please explain.

RESPONSE:

- (a) Universal service is service to all Americans, coast to coast, border to border, with each of them generally receiving the same degree of retail and delivery service at the same price. There may be some exceptions—the bottom of the Grand Canyon—where physical characteristics have led to a slightly lower service standard, but those situations are so far and few between that I believe they fit within the concept of universal service. By service, I mean not only retail and delivery service, but in terms of post offices, those types of non-postal service that have been traditionally been offered in rural America. I concur with Senator Murkowski's statement that: "The concept of universal service is not a debating point; it's federal law....Mail is 'a basic and fundamental service' and Congress requires the Postal Service to 'provide prompt, reliable, and efficient services to patrons in all areas and shall render Postal Services to all communities' and must establish rates 'on a fair and equitable basis'....This means the Postal Service must provide universal service at universal rates."²
- (b) My 38 years of Post Office experience, 30 years of which has been management experience, and my years of customer service training provided by the USPS, as well as my personal knowledge as one born and raised in Montana as to how small rural post office traditionally have fit into the rural way of life.

² See <http://postandparcel.info/42751/news/congress-steps-up-backlash-against-us-post-office-closures/>

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- (c) It depends. If the initiation of a feasibility study is but a farce, with the decision already having been made to close the facility regardless of the effect on the community, then yes. If it were to be a true feasibility study, driven from the bottom up, with equal weight given to the non-postal role of the facility in the community, then no.
- (d) I believe that under the current financial circumstances, top-down driven study, a large number of offices are being reviewed as a mere formality and that the decision to close them had already been made, provided that political or other forces do not prevent the closing.
- (e) Not merely retail and delivery services, at least in rural America. As explained in (a) we do not separate delivery and retail when giving universal service to rural America. We do not in urban America. Service cannot be defined by me or the Postal Service; it is defined by what the customer needs.
- (f) That is much too detailed and bureaucratic an approach. I do not accept it. In my opinion that retail and delivery services are just a component of "universal service" and that all the services together make up the organic totality of universal service.
- (g) See my answer to (f).

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USPS/NLPM-RT1-4

In the course of your career as a Postmaster, did you ever:

- (a) Identify a situation where customers were being denied universal service?
- (b) If the answer to part (a) is affirmative, please explain the circumstances, including date(s).
- (c) If the answer to part (a) is affirmative, please explain whether you elevated such situations to the attention of senior management.

RESPONSE:

- (a) Yes
- (b) As a State President in Arizona I was involved in the discontinuance study of Humbolt, Arizona. It was within the past 10 years, exact date unknown.
- (c) Yes I did discuss with the District Manager, after the community meetings and further discussion regarding the closure and the impact on its customers. The discontinuance was stopped and the post office remained open.

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USPS/NPLM-RT1-5

Please refer to your testimony at page 7, lines 12-16. Is the Postal Service obliged to meet every "need" for postal service expressed by rural postal customers on the terms and conditions expressed by those customers? If your response is affirmative, please explain.

RESPONSE:

Congress decides and defines the Postal Service's mission and obligations, not the Postal Service or I, and Congress has specified a "maximum degree" of service for rural America.

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USPS/NLPM-RT1-6

Please refer to the statement at page 5, line 18 of your testimony concerning your representations regarding universal service. Assume a Post Office offering Post Office Box delivery to a small community of 300 residents is discontinued and replacement service is offered by rural carrier, with retail services offered to roadside mailboxes along the carrier's line of travel. The "gaining" and nearest Post Office is 3 miles away.

- (a) Please identify with particularity all aspects of universal service that would be denied as a result of discontinuance of the Post Office in this hypothetical.
- (b) Please confirm whether customers of the discontinued Post Office would lack access to retail services after the discontinuance. If you do not confirm, please explain.
- (c) Please confirm whether customers of the discontinued Post Office would lack access to delivery services after the discontinuance. If you do not confirm, please explain.
- (d) Did customers who were served by delivery to roadside mailboxes by the rural carriers that you managed lack access to retail or delivery services? Please explain your answer.

RESPONSE:

First one would have to assume that they were getting extension of delivery, to which is not determined at the 60 day notice to close. Many of the 3 mile customers would be required to travel to the neighboring office. If they did get delivery by the rural carrier one would also have to know if it was to a cluster box or to their home before one could completely determine the degree of service lost.

- (a) Since they do not know when the carrier would arrive—and it would be impossible to “schedule” a carrier down to any precise time, they would not have reasonable access to retail services. Moreover, a customer often gets box service for a particular reason, such as security. If required to put up a mail box by the house, or use an existing mailbox by the house, you have lost the security of a post office box. Also, you have increased costs. P.O Boxes are the safest, most secure and most efficient mode of delivery available. A customer business may be next to the Post Office and his time of “getting his mail” every day may be only two or three minutes and those minutes might be critical to his business. It all depends upon the local circumstances.
- (b) Yes. Same day money order service is one service they would lack. You are required to meet the carrier on the first day give them the money and fill out a form. Of course you have to be able to determine when they will be there so you can catch them. You then have to wait for the second day to get the money order. For some of our rural customers that rely on the Postmaster fill out the money order for them because they do not read or write, this transaction would not be possible. Rural Carriers would be able to sell you stamps if you left your cash or check in the rural mail box and the stamps would be left in the box or returned the next day. That is assuming no one took the money or the check out of the box. For any package over 13 ounces, you have to

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meet the carrier and present the package, if you knew when they are coming by. All other transactions can be left in the box with cash or check and they will return the receipt the next day. Again, assuming no one takes the money or check. Of course if every customer did this Rural Carriers get pick up time for these transactions with special compensation for express mail and this would reduce any savings significantly. But on a given day, a rural carrier could have five minutes of real time in the first 100 stops or an hour and a half worth of retail time in the first 100 stops. It would wreak havoc with his schedule and thus make his arrival times even more unpredictable.

If rural delivery is not extended to the customer then they will have to drive the 3 miles every day. If they have to drive, this increases the cost of their transaction and time required to use our service both for the retail and delivery of their mail...

This whole concept is not reasonable, particularly for older people in the hottest days of summer, the coldest days of winter, and the rainiest and snowiest days. This is changing the conditions so that citizens have to meet the needs of the Postal Service—e.g., be there when the carrier passes—instead of the Postal Service meeting the needs of the citizens—e.g., being there where customers can go for services.

(c) See (b) above. Moreover, this answer does not address the non-postal services role of the post office in the community.

(d) See (b) above. Moreover, this answer does not address the non-postal services role of the post office in the community.

See (b) above.

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USPS/NPLM-RT1-7

In relation to your term of your service as Postmaster of Prescott, Arizona, which you mention on page 4, line 3 of your testimony, please provide a map showing:

- (a) The geographic area served by delivery carriers reporting to you as a Postmaster or to subordinate units under your command.
- (b) Identification of any stations, branches, or contract postal units reporting to you as a Postmaster.
- (c) Identification of areas served by Rural or Highway Contract Route carriers (the routes themselves need not be marked).
- (d) The approximate farthest distance that a customer in the geographic area identified in part (a) would have to travel from a residence to a Postal Service operated retail facility.

RESPONSE:

(a)-(d) Objection filed.

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USPS/NLPM-RT1-8

In relation to your term of your service as Postmaster of Glendale, Arizona, which you mention on page 4, line 4 of your testimony. Please provide a map showing:

- (a) The geographic area served by delivery carriers reporting to you as a Postmaster or to subordinate units under your command.
- (b) Identification of any stations, branches, or contract postal units reporting to you as a Postmaster.
- (c) Identification of areas served by Rural or Highway Contract Route carriers (the routes themselves need not be marked).
- (d) The approximate farthest distance that a customer in the geographic area identified in part (a) would have to travel from a residence to a Postal Service operated retail facility.

RESPONSE:

(a)-(d) Objection filed.

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USPS/NLPM-RT1-9

Please refer to your testimony at pages 3-4. For each postal facility at which you have been employed for longer than a year, please indicate the calendar years during which you were employed there. Also indicate for each facility whether, at the time, it was a "small rural office."

RESPONSE:

I grew up in Montana and was raised in an environment where the small rural post office was a key element in our community.

I was a clerk in Forsyth, Montana, 1973-1979 which is a small rural office. I was loaned to neighboring small offices which were also rural – Colstrip, Montana and Rosebud, Montana.

At Kalispell, Montana, from 1979 – 1981, an SCF operation, I was an acting supervisor and acting Supt of Postal Operations and dealt with Postmasters and customers from the surrounding small rural offices. The SCF was not a small rural post office, but it served small rural post offices.

At Missoula, Montana, from 1981 – 1984, I was a Supervisor in a MSC (Management Sectional Center). I had daily contact with rural offices throughout western Montana. The SCF was not a small rural post office, but it served small rural post offices.

I was at Billings, Montana, from 1984 - 1987, and it is not a rural office.

I was at Phoenix, Arizona, from 1987 – 1992, and it is not a rural office.

I have been at Sun City, Arizona, since 1992 and it is an urban office.

Moreover, I have been active in the National League of Postmasters for years, in a variety of positions and in that time have developed an certain expertise in small rural post offices issues, having dealt with so many of them.

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USPS/NLPM-RT1-10

In relation to your service as Postmaster of Sun City, Arizona, which you mention on page 3, lines 4-6 of your testimony, please provide a map showing:

- (a) The geographic area served by delivery carriers reporting to you as a Postmaster or to subordinate units under your command.
- (b) Identification of any stations, branches, or contract postal units reporting to you as a Postmaster.
- (c) Identification of areas served by Rural or Highway Contract Route carriers (the routes themselves need not be marked).
- (d) The approximate farthest distance that a customer in the geographic area identified in part (a) would have to travel from a residence to a Postal Service operated retail facility.
- (d) Please also state whether, as a result of your day-to-day responsibilities as an officer of the National League of Postmasters, the day-to-day responsibilities of Sun City AZ Postmaster have been or currently are the responsibility of another postal employee at that office.

RESPONSE:

(a)-(d) Objection filed.

Second (d) As a result of my day-to-day responsibilities as the President of the National League of Postmasters my office is currently turned over to an Officer in Charge. The OIC is a Postmaster from Kingman, Arizona.

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USPS/NLPM-RT1-11

Please refer to your testimony at page 4, line 14 and state whether the day-to-day duties of Avondale/Goodyear AZ Postmaster currently are the responsibility of a postal employee other than the one identified in your testimony. If so, please explain.

RESPONSE:

Objection filed.

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USPS/NLPM-RT1-12

Page 5, line 19 of your testimony characterizes the Postal Service as having "urban-based leadership."

- (a) Please explain what you intend to convey by this statement.
- (b) Is your statement intended to characterize where members of Postal Service management currently live, or where they were originally raised as children, or developed as young adults, or some combination thereof?
- (c) Identify the member(s) of postal management that you believe comprise this "urban-based leadership."
- (d) Please confirm that the "urban based leadership" of the Postal Service has included classified stations, branches and annexes within the scope of the RAO Initiative. If not confirmed, please explain. Identify which of these types of facilities are typically located in urban and suburban areas.

RESPONSE:

- (a) The leadership that is reviewing the RAO Initiative are based in Districts, Areas and Headquarters, but Headquarter is calling the shots, and District and Area managers are not going to buck Headquarters on this issue. My sense is that the headquarters' staff enjoy the urban access of retail and delivery services provided by the Postal Service. Many, if not most, have door delivery. Few, if any, come from very small rural towns and thus generally have no personal experience with small rural post offices and rural society. They also have the convenience of numerous alternate access points as well as readily available internet service that is not enjoyed by the rural communities they are reducing that service to. They do not understand the value of a rural post office to a community and will they will not have to live first hand with the results.
- (b) Generally, where they currently live, although I believe that very few come from small rural towns.
- (c) Primarily Headquarters and some Area Officers.
- (d) Confirmed. There are some stations that are in urban centers but are not the basis for our testimony or our objections to this plan. Those stations have alternate access not commonly available to rural areas.

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USPS/NLPM-RT1-13

At page 5, line15 of your testimony, you state that the Postal Service's proposal to examine the feasibility of whether to discontinue operations at any of 3650 candidate facilities "essentially produces a drastic reduction in availability and service."

- (a) In what way does a proposal to examine the feasibility of discontinuing the retail operations at particular postal retail facilities within the scope of the Retail Access Optimization Initiative "essentially produce[] ... a drastic reduction in availability and service"?
- (b) In your opinion, what is the highest percentage of retail closures among the approximately 3650 RAO Initiative candidate facilities that would result in a "reduction in availability and service" that you would characterize as being less than "drastic"?

RESPONSE:

- (a) If the study results in closure of all or substantially all of these post offices, then the availability of all services could see a drastic reduction. If a VPO is used only three services will be provided. Even rural carriers cannot provide all the services of a full service post office. Meeting the rural carrier two days in a row at the mailbox (hopefully you know when they are coming by) just to purchase a money order is far from the service they now receive, and extremely far from the notion of a maximum degree of service. How drastic the reduction in service is depends upon local conditions.
- (b) The maximum degree of service shall be provided to rural America, while giving universal service to all Americans should be determined by Congress, as measured by their constituents.

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USPS/NLPM-RT1-14

Please refer to your testimony at page 5, lines 15-18. Please provide a copy of any official postal document containing the "nonsense" statement referenced there. In the alternative, please provide a copy of and citation (including internet links) to published accounts of the statement. If the statement was uttered orally, please provide the name and job title of the speaker, and indicate the date on which and the audience to whom the statement was uttered.

RESPONSE:

Objection filed.

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USPS/NLPM-RT1-15

- (a) Please refer to your testimony at page 9, line 7. Identify the "basic" public policy with which the Retail Access Optimization Initiative conflicts and explain how it is conflicts with that policy.
- (b) In your view, what accounts for the failure of the Postal Regulatory Commission to opine in its Docket No. N2009-1 advisory opinion that the Station and Branch Optimization and Consolidation Initiative conflicted with that same "basic" public policy?

RESPONSE:

- (a) This interrogatory relates to a heading, which is explained in Part II A-B of my testimony.
- (b) Objection filed.

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USPS/NLPM-RT1-16

Please refer to your testimony at page 11, lines 8-18.

- (a) Can a community have an identity without having a Post Office?
- (b) Can a community have pride without having a Post Office?
- (c) Can a community have an anchor and hub without having a Post Office?
- (d) Can a community have an anchor and hub that is not a Post Office?
- (e) Does the Postal Service have an obligation to bind the nation together though the provision of facilities in which to conduct non-postal transactions and manage non-postal civic and social affairs?
- (f) Does the Postal Service have an obligation to establish and maintain facilities of such character and in such locations as to accommodate the needs of postal patrons to conduct non-postal transactions and manage non-postal civic and social affairs?

RESPONSE:

(a)-(d) Of course a community might have pride and identity without having a Post Office and its possible to have other anchors and hubs. That does not take away from the fact that small rural post offices still play, and have played, a significant role in this function in rural areas. Urban areas have other anchors and hubs, that is why small urban post offices (usually stations or branches) don't quite play the role that rural post offices play. Also, not every rural post office necessarily plays that anchor or hub position. It depends. Which is exactly the reason that the Post Office closing procedures have always been (and still should be) a bottom up process that does not lend itself to using computer models to make decisions. Mayor Hobbs has discussed this area in somewhat more detail than I have and I would refer you to his testimony.

(e)-(f) Congress defines the mission and obligations of the Postal Service. They have specified a maximum degree of postal services, and Congress added further consideration in 1976, in response to a series of post office closing that the Postal Service had undertaken in abrogation of their role of binding the nation together. I would refer you to the record and other pleadings in our Complaint, C 2011-3, which is being held in abeyance, pending Postal Service action.

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USPS/NLPM-RT1-17

Please refer to your testimony at page 14, lines 16-18.

- (a) Please identify the specific offices that any Vice President from USPS Headquarters directed be closed as part of the RAO Initiative by the date that your testimony was filed.
- (b) Please confirm that it is your understanding that the retail optimization initiative reviewed by the Postal Regulatory Commission in Docket No. N2009-1 utilized the USPS Handbook PO-101. If you do not confirm, please explain.
- (c) Please confirm that it is your understanding that the retail optimization initiative reviewed by the Postal Regulatory Commission in Docket No. N2009-1 was a top-down initiative. If you do not confirm, please explain.
- (d) To your knowledge, how many of the over 3000 stations and branches reviewed for discontinuance as part of the above-referenced Docket No. N2009-1 initiative were eliminated from consideration for discontinuance on the basis of recommendations from District discontinuance review teams?
- (e) Please review Docket No. N2009-1, USPS Library Reference N2009-1/4. To your knowledge, how many USPS District Managers were subjected to or currently are under threat of adverse career consequences resulting from the fact that the percentage of the over 3000 SBOC candidate facilities not recommended for discontinuance greatly exceeded the five percent of SBOC candidate stations and branches ultimately discontinued?

RESPONSE:

Objections filed.

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USPS/NLPM-RT1-18

Please refer to your testimony at page 15, lines 2-7 and the USPS Handbook PO-101.
Please explain your understanding of which administrative level of Postal Service
management initiates discontinuance studies and then submits them to the Area Office
and Headquarters for review.

RESPONSE:

Objections filed.

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USPS/NLPM-RT1-19

Please refer to page 17, line 6 of your testimony.

- (a) Please list and describe the sociological, economic, political and other specific characteristics that define a "typical" community in the United States and that distinguish it from one that is atypical.
- (b) Is the opinion in your testimony that Odd, West Virginia is a typical community your own or that of "one of [y]our postmasters"? Either way, please explain the supporting basis for the opinion.
- (c) Please provide examples of "typical" and "atypical" communities you reviewed in assessing how to categorize Odd, West Virginia, and explain the basis for categorizing them.

RESPONSE:

(a) I am not a professionally trained sociologist but I would think that a typical community in the United States would be one that shares common characteristics with other communities. An atypical community would be one that has characteristics that are different from other similarly-situated communities. Characteristics could include education levels, age, income, level of unemployment, types of employment, etc.

(b)-(c) If one looks out the window and notices that it is raining, one does not need to retain experts at some state or federal meteorological institution to determine whether it is raining. Simple observation should do. In much the same way, the observation of a intelligent federal official, our postmaster in this case, that this community is a typical West Virginia community should suffice. This postmaster is (in my opinion) a person of above-average intelligence, with a fair amount of experience in communities—she is a postmaster after all—and I am perfectly willing to place my confidence in her judgment.

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USPS/NLPM-RT1-20

Please refer to your testimony at page 16, line 21. What percentage of rural Post Office customers visit the office every day that it is open. Please provide the data supporting that figure and describe how they were tabulated.

RESPONSE:

Objections filed.

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USPS/NLPM-RT1-21

- (a) Please provide the data you reviewed in preparing that portion of your testimony which asserts that "small towns tend to have the highest concentrations of elderly people." Please discuss how those data compare to data for other population centers.
- (b) Please provide copies of or citations (including internet links) to sociological studies documenting the role that Post Offices play as a gathering point for retirees and serve as sources of non-postal information for retirees, relative to other gathering points and information sources.
- (c) Please provide copies of or citations (including internet links) to economic, sociological, law enforcement, or labor and employment studies on which you relied in preparing your testimony which quantify the impact that "rural post office[s]... have on local business development, existing businesses, [and] law enforcement, [and] community jobs ..." relative to other factors.

RESPONSE:

(a) – (c) I believe that the migration of the young from rural to urban communities after World War II is a fairly commonly known historical phenomena. It does not take a great step in deductive reasoning to conclude that if the young are tending to leave rural America for the cities, the remaining population has a higher concentration of elderly people than does urban America.

While I did not feel I needed to rely on any academic study to support such a basic and obviously well-known point, just googling the issue as I prepare this response brought up, as the first hit, the following link:

<http://oregonexplorer.info/rural/RuralIssues/AgeStructure>

The article at this link, from Oregon State University states:

Research by Annabel Kirschner, E. Helen Berry, and Nina Glasgow (2006) examining the changing age structure between the non-metropolitan (rural) and metropolitan (urban) U.S., found that between 1920 and 2000 quite a bit of change occurred between the two parts of the country. From 1920 to 1940 rural America had a median age five (5) years lower than urban America; meaning that the rural U.S. had more young people than urban areas. In 1950, 1960, and 1970, however, this difference narrowed, leading to a shift in 1980 when the median age in rural areas exceeded the median age in urban America. Since the 1980s, a rapidly aging population has characterized rural areas . . . The influx of

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older adults, coupled with the out-migration of young adults that rural America has witnessed since the early 1900s, and a decline in fertility (birth rates) paved the way for the age structure of rural areas to shift from being younger than urban areas [before WWII] to being older than urban areas.

Similarly, both League Postmasters and the Postal Regulatory Commission itself, in Lone Grove³ and other decisions, have noted the many roles Post Offices play in rural community life.

³ *E.g.*, In the matter of Lone Grove, Texas, PRC Docket No. A79-2 (May 7, 1979).

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USPS/NLPM-RT1-22

Please refer to your testimony at page 3, lines 3-6. Your career includes service as a Postmaster.

- (a) Please explain whether, during your career as a Postmaster, you participated in any decisions to discontinue a Post Office, or to consolidate a Post Office (as that term is currently used in USPS Handbook PO-101).
- (b) If the answer to part (a) is affirmative, please provide specific information concerning the Post Office(s) in question.
- (c) Please explain whether, during your career as a Postmaster, you participated in any decisions to suspend operations of a Post Office under Handbook PO-101.
- (d) If the answer to part (c) is affirmative, please provide specific information concerning the Post Office(s) in question.
- (e) Please explain whether, during your career as a Postmaster, your position level or grade was elevated as the result of the discontinuance or consolidation of a Post Office.
- (f) If the answer to part (e) is affirmative, please provide specific information concerning the elevation.
- (g) Were you responsible as a Postmaster for any community post offices or other types of contract postal units in your service area?
- (h) If the answer to (g) is affirmative, please provide specific information concerning the community post office or contract postal unit retail facilities in question.
- (i) Did you manage Rural or Highway Contract Route carriers during your career as a Postmaster?
- (j) If the answer to part (i) is affirmative, please provide specific information on the number of Rural or Highway Contract Route carriers that you managed.

RESPONSE:

- (a) As State President for the LEAGUE, I was involved with the discontinuance of Humbolt, Arizona. The current PO 101 was not used at that time. The study was initiated by the District Manager who had firsthand knowledge of the communities involved.
- (b) Dewey, Arizona, and Humbolt, Arizona, municipalities were consolidated. The Postal Service started a study to consolidate the offices since the city governments were consolidated. The study did not result in a discontinuance.
- (c) No, I did not.
- (d) NA
- (e) No, I have never been informed that I received a position or level increase because of a discontinuance or consolidation.
- (f) NA

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

- (g) Yes
- (h) Besides the three delivery units with full retail services and APC machines in two of these units, my urban customers had a separate stand-alone retail facility. Within my geographic area I had a CPO which eventual became this stand-alone retail facility, increasing the service available. I had up to 9 contract stations at one time giving my customers access to more retail and collection service. These same customers had collection boxes throughout the city giving them safe and secure places to deposit their mail as well. The cluster box outgoing mail slots were closed due to the high amount of vandalism.
Community post offices and contract postal units have their place in providing supplemental retail services in urban areas. They are great things in the right spot. They are not substitutes for full-scale post offices.
- (i) Yes
- (j) I currently serve 51 Rural Routes and 5 Highway Contract Routes. I have managed both in other offices as well. I have no idea how many in total I have managed over the years. That information should be available to the Postal Service.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-23

Please refer to your testimony at page 21, lines 10-11. Please identify, provide a copy of (if it is not already a matter of record in this docket), and cite the specific passage in the Postal Service document that forms the basis for your assertion that the Postal Service *almost seems to suggest* that "electronics has opened up other communications sources for rural America, and that the role of post offices in rural America has become passé ."

RESPONSE:

In the Testimony of Jim Boldt at page 4 lines 4, 5, 21, and 22 and at page 5 lines 4, 5, 8, 11, 12, and 13, and at page 6 lines 5 and 6 and at page 7 lines 5 and 6 one finds suggestions and implications that electronic technology, web sites, and digital services, and the availability of "electronics", have all opened up other communications sources for rural America. This assertion might be true if this technology were widely available and used in Rural America. But it is not. Indeed even with electronics, rural post offices still play a key role in rural America, as Mayor Hobbs' testimony shows.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-24

- (a) Please define "urbanite" as you use the term at page 21, line 3 of your testimony.
- (b) Please define "good mail service," as you use the term at page 21, line 6 of your testimony.

RESPONSE:

- (a) A person who lives in a large city.
- (b) "Good," meaning less than optimal or maximum service. As used here, "good mail service" means delivery service which is "okay" or "average," but less than the maximum range and level of services Congress required.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-25

Your testimony at page 6, lines 17-20 states, "While this proceeding is technically only focused on the 3,650 post offices that are currently on the chopping block, it is no secret that a much larger group—up to half of the post offices in the country—are waiting in the wings for their turn. That includes every small rural post office in the country."

- (a) Define "post office" as you use it in this passage.
- (b) Define the universe of "every small rural post office in the country."
- (c) Please confirm that it is your understanding that the RAO Initiative is limited to the approximately 3650 retail facilities identified in USPS-T-1.

RESPONSE:

(a) A Post Office is a facility manager by a postmaster, as defined by 39 U.S.C. § 1004(i)(3). I do realize that the facilities covered by this proceeding and the larger groups that Postmaster Donahue refers to includes facilities that are technically not all post offices, but also includes stations or branches.

(b) The words in this phrase are used in their usual sense.

(c) Yes, as explained by Mr. Boldt's direct testimony, and on cross-examination.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-26

Your testimony at page 7, lines 13-15 states, "This includes providing full post office services, for they are vital to rural America, cost practically nothing, and are viewed as essential by rural Americans."

- (a) Confirm that your claim that providing post offices costs "practically nothing" is based on a comparison of the cost of operations of Post Offices as compared to the total costs of the Postal Service. If not confirmed, please explain.
- (b) Please state your understanding of the costs of providing post office services. In your estimation, how much is this cost, and how do you quantify it? Please provide all calculations.

RESPONSE:

- (a) Confirmed.
- (b) The cost of providing services depends upon the community. It includes the cost of the postmaster, some of whom are part time, the cost of the facility, some of which cost as little as \$1 per year, and the cost of any carriers or clerks whose salaries fall under that post office. The Postal Service estimates that the total aggregate operating expenses of all 3,650 Post Offices subject to the RAOI are "about 0.3 percent of [the Postal Service's] total operating expense." See Revised Response of USPS to NLP/USPS-18.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-27

- (a) Please refer to your testimony at page 25, line 6 and explain what makes the route from DeWitt to Flat Rock KY unsuitable for senior citizens.
- (b) In addition to the elementary School and the Baptist Church, please confirm that there are other churches, as well as businesses located in Dewitt KY.

RESPONSE:

- (a) The senior citizen concerns were due to increased travel to conduct postal business. The route to Flat Lick is not a preferred route as it is rural and not suitable for seniors because of the crime and drug issues in the areas. Many of these seniors have a post office box for security reasons since they receive prescriptions and their social security checks in their post office boxes without the fear that they will be stolen or that others will observe what is left in an unattended mail box.⁴
- (b) There are other businesses there, but years ago the Post Office decided to deliver the route out of Flat Lick, Kentucky, and would not let them keep a last line address of "DeWitt" so the only businesses with a DeWitt address are the School, Church and Post Office.

⁴ See, e.g., http://www.wkyt.com/wymtnews/headlines/Knox_Co_residents_hold_meeting_to_try_to_save_De_witt_Post_Office_131493978.html

**Response of National League of Postmaster Witness Mark Strong to
Interrogatory of Postal Service**

USPS/NLPM-RT1-28

Please identify and provide citations (including internet links) to the primary sources for the data described at page 22 of your testimony at lines 6-20.

RESPONSE:

Data sources are provided within the quoted material. I did not independently verify each of those facts from the Save the Post Office article.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-29

At page 12, lines 11-12 of your testimony, you state, "The primary purpose of the RAO Initiative is to reduce costs."

- (a) Please state the basis for this claim, with applicable citations to the record.
- (b) Did you read the Request in this docket before finalizing your testimony?
- (c) If your answer to part (b) is affirmative, please confirm that the Request in this docket identifies a number of different goals of the RAO initiative. Please confirm that cost savings is only of several goals identified for the RAO Initiative

RESPONSE:

- (a) The PMG has stated numerous times that the reduction in Post Offices is to save money as part of the "optimization" plan. The entire plan calls for some 15,000 offices at an alleged savings of \$1.3 billion. The Power Point the Postal Service shared with Congress has this dollar amount in the slides. Jim Boldt's testimony states that the savings if all 3,650 offices in the RAOI were closed is less than \$200 million.
- (b) Yes.
- (c) Although the Request speaks for itself, the true goal here is to reduce costs, and that the rest of the justification is mostly fluff. At community meetings, Postal Service representatives are telling customers that post offices are being considered for closing to reduce costs and save money. Having said that, there is a strong argument that an ancillary reason that these closings are occurring is to try to pressure Congress into passing some fix for the pension overfunding problem.

Rural Americans are some of the most important customers that the Postal Service has. As can be seen from the general uprising that is going on throughout the country (as evidenced by the number of stories that are appearing every day in the press throughout the country and by the significant increase in post office closing appeal filings at the PRC) and the polling results of the Gallop Poll, the Postal Service's rural customer's want to retain their post offices. If the Postal Service truly cared what its customers thought, it would not be engaged in this wholesale closing of post offices.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-30

Your testimony at pages 8-9 states, "Widespread information from the field indicates that in too many cases the 'community meetings' are simply canned briefings designed for public relations purposes, in order to create the illusion that the Postal Service is taking into account the needs of these communities and is following both the spirit and letter of the law."

- (a) Did you personally observe community meetings that fit this description?
- (b) If the answer to part (a) is affirmative, please provide the locations of the community meetings that you attended, dates and names of the Post Offices that the meetings concerned, along with copies of any notes or memoranda you or your staff generated in connection with your observations.

RESPONSE:

(a) No, but at Postmaster meetings throughout the country information was shared that verifies this testimony. Phone calls and emails regarding content of information, predetermined length of meeting, limits on comments, time, etc., also verify the testimony.

As one illustrative and corroborating example, Senator Baucus recently sent a letter to Postmaster General Donahoe, expressing his disappointment with several Montana post office closings. He states:

Neither Dupuyer nor Galata were given even a full week from the time of their public meetings to the time of receiving their closure notices. It is clear that the Postal Service decided to close these post offices without sufficiently considering community input... [P]ost offices are anchor institutions for rural Montana communities. Montanans depend on those post offices for staying in touch, receiving time-sensitive medications, and operating family businesses. Closing rural post offices would force seniors, disabled veterans, and other folks in these communities to travel many miles to the next available office. Last Wednesday, folks in Galata had a chance to hear firsthand from the Postal Service why their post office was being studied for closure. People living in Dupuyer had a chance to hear from the Postal Service last Friday. Those meetings were important parts of a transparent decision-making process that should have taken public input into account. However, only days later and without adequate time to submit informed and considered comments following the public meetings, those communities are being faced with losing their local

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

postal service and losing good paying jobs. The Postal Service should take the time to make sure that they are thoroughly considering the impacts of these proposed closures. Instead, there is no indication of how public comment was collected, organized, and fully understood in just a few days. There is no indication that the decision was not already made for these towns before they finally had a chance to hear from the Postal Service. Closing the Galata, Dupuyer, and Melrose post offices will take away jobs and impact families and businesses. Those families and businesses should have had more time to consider the information from the public meeting and they should have had additional time to comment on the potential impacts of losing their post office. And the Postal Service should take time to weigh those comments heavily. You have previously assured me that decisions to close post offices would come after significant and substantive consideration of public input. This has sadly not been the case. I strongly oppose closing any Montana post offices until the Postal Service has conducted all public meetings in Montana and has demonstrated that it is working in good faith to take community input into account as part of the closure studies. Thank you for your attention to this important matter. I look forward to working with you to ensure that future Montana communities receive the adequate consideration they deserve and finding long term solutions for the Postal Service without disproportionately affecting mail service in rural communities.⁵

⁵ See <http://www.postalnewsblog.com/2011/10/05/baucus-says-usps-hasnt-kept-its-word-on-closing-post-offices/>

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-31

At page 23, lines 1-6, of your testimony, you state, "the League has determined that Saint Francis, Arkansas, has 104 rented boxes; 67 of these residents do not have internet. New Hope, Arkansas, has 81 rented boxes; 22 do not have internet. Three towns in Iowa—Gravity, Grant, and Beaver—have limited internet access and elderly communities without computers. In the mountains of West Virginia, I would think the situation is even more drastic." Please define "limited internet access" as used in the quoted passage.

RESPONSE:

What I mean by "limited internet access" means unreliable, unavailable, too expensive for low income customers, or very slow internet access. At last count there are over 4000 Post Offices that require intranet service via a satellite. This would usually mean that there is "limited internet" service in these communities.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-T1-32

Please refer to your testimony at page 23, lines 8-9.

- (a) Please specifically identify the phenomenon of which you have received "many specific examples" and list and describe each example.
- (b) Please describe the differences between examples where you have concluded that that the Postal Service did adequately take into account the unique needs of a community and those where you have concluded to the contrary.
- (c) Please list and describe examples of cases in which you have concluded that the Postal Service did adequately take into account the unique needs of a community.

RESPONSE:

(a) Some of the examples are included in the testimony. Even with just a few phone calls to the field asking how the community meetings are going we found cases where little consideration appeared to be given to the community concerns. That starts with the time and place of meeting being set to limit or discourage customer attendance, limited length of meeting, spelled out not to go over an hour, limited number and time limit for comments, etc. The perfunctory tone has irritated many, as Comments from Senator Baucus and the Iowa delegation attest. Again, many of these meetings are being held not to gather information about the community so that the Postal Service can take that information into account in making this decision. Rather, many of these meetings are being held with the attitude that this post office is being closed, how can we make this easiest on your community.

(b)-(c) We will really have to wait and see how many post offices are closed before we can answer these questions. Until they are closed, the Postal Service can still change its mind and take into account the needs of the community as it is supposed to under law, and not close post offices where there would be a negative impact on the community.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-33

At page 11, lines 7-16 of your testimony, you state and quote from a website the following passage: "Even today, in the 'information age,' post offices: 'serve as a community anchor and hub, they give a place an identity, they support small businesses by providing easy access and low mailing costs, they bring foot-traffic into nearby stores and restaurants, they save countless miles of driving time and fuel by serving as nodes on a vast network, they provide services that no Wal-Mart postal counter can do (like passports and emergency preparedness), they are often housed in beautiful historic buildings that are a source of local pride, and they represent the presence of the federal government in every community and remind people that the government is capable of doing some things right.

- (a) Do you know how many Post Offices (excluding stations and branches) that are part of the RAO Initiative currently provide passport services? If your answer is affirmative, please provide that number. If you do not know, what percentage of Post Offices would you estimate provide passport services?
- (b) If your answer to part (a) is negative, what research did you conduct on the provision of passport services at Post Offices that are part of the RAO initiative?
- (c) Please identify all of the emergency preparedness services that are provided at Post Offices, and identify the source of authority that directs Post Office managers to conduct such emergency preparedness activities.

RESPONSE:

Objections filed

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-34

On page 12, in footnote 1 of your testimony, you state, "The total net cost of the 10,000 smallest Post Offices—more than one-third of all Post Offices in the United States—is less than seven tenths of one percent (0.7%) of the total costs of the United States Postal Service." Please provide the calculations you used to arrive at this figure, and document the sources of each figure used.

RESPONSE:

The data is below. We asked the PRC for the data in January of this year and received the most recent data. We have not updated it since.

There is actually is a slight typo in the testimony. It should say "roughly" seven tenths of one percent and not "less" than seven tenths of one percent. When we received this data in January, we stopped using "less than seven-tenths" and changed it to "roughly seven-tenths. As you can see, the most recent numbers are almost eight tenths of one percent. It doesn't really change the point since the change from "less than" to "roughly" is *de minimus*.

Cost of 10,000 smallest rural post offices to USPS.

Data is FY 2009, the most recent available in January of 2011.

Annual cost for operating CAG K&L offices (\$Millions):	629.38	629.38
Cost of providing CAG K&L annual retail transactions by rural carriers:	22.99	22.99
Cost of providing CAG K&L annual post office box service by rural carriers:	40.81	40.81
Lost annual revenue from CAG K&L post office boxes:	29.68	29.68
Total of Annual cost from replacing CAG K&L post office operations by rural carriers:	93.47	93.48
Net annual savings from replacing CAG K&L post office operations by rural carriers:	535.91	535.9

Savings as percentage of USPS Costs

$$\frac{535,900,000}{68,090,500,000} = 0.787\%$$

Source: Postal Regulatory Commission, January 2011

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-35

At page 28 lines 18-19 of your testimony, you state that "The law specifically forbids the Postal Service to close Post Offices because they are not profitable."

- (a) Please identify the law to which you refer and quote the applicable passage(s) and provide all citations.
- (b) Do you deny that the law prohibits the closing of a "small" post office "solely" for operating at a deficit?

RESPONSE:

(a)-(b) See 39 U.S.C. §§ 101(b) and 404(d).

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-36

Please explain how the text of the email copied on page 29 of your testimony supports the assertion that "the Postal Service has been taking steps that both hinder meaningful community input, while simultaneously cutting off post offices as though the decision to close them has already been made." In doing so, explain whose decision it was not to refer to the email in USPS Library Reference N2011-1/16 that was responsive to the one you quote on page 29. Please attach a copy of the responsive email in your response to this interrogatory.

RESPONSE:

For the first sentence, the quoted material—from a Congressman's office—explains itself.

For the second sentence, Objections have been filed.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-T1-37

Pages 23 -26 of your testimony reflect assertions regarding the number or percentage of Post Office Box holders at particular Post Offices who have internet or broadband internet service. Please provide a complete description of how these data were derived, including:

- (a) the methods by which the data were collected;
- (b) how and by whom respondents were identified and notified of the opportunity to participate in the survey;

- (b) copies of all data collection and survey instruments or questionnaires used to record responsive data;
- (c) copies of all lists of questions distributed to survey takers to read to survey respondents;
- (d) copies of all instructions disseminated to those who conducted surveys or distributed questionnaires;
- (e) the methods and media through which questionnaires or solicitations regarding survey participation were disseminated to survey respondents;
- (g) the locations where notices soliciting survey participation were posted;
- (h) the rate of postage paid for survey documents placed in Post Office Boxes of any survey participants;
- (i) for each location where survey takers interacted face-to-face with survey respondents as part of the survey process, specify the addresses at which and the hours of the day during which such interactions occurred, and indicate whether any of the addresses are postal retail locations;
- (j) the name(s) of the person(s) responsible for composing the questionnaires or survey questions and supervising the survey effort;
- (k) identification of the person under whose direction the research was conducted;
- (l) Such other information pertinent to the data collection effort as would be responsive to Rule 31(k) of the Commission's Rules of Practice and Procedure.
- (m) a description of the study plan underpinning the research used to draw the conclusions in the quoted passage, a clear description of the research design, the techniques or procedures used to compile the data, and the definition of the universe under study.
- (n) the date (month, day, and year) on which the research began and the date (month, day, and year) on which the research ended (i.e., the survey period).
- (o) Please provide a complete copy of the research results
- (p) Please define "limited internet access" as used in at page 23, line 4 of your testimony.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

RESPONSE:

This was information provided me by postmasters in the respective areas. They gathered the information from their customers and passed it on to me. I do not have copies of any survey or other such information. I do not have a copy of any "methodology." In small towns of several hundred people, complicated methodologies are not needed to gather such information. These are small towns, after all. Many do not even have cell phone service, much less wi-fi.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-38

Your testimony states at page 12, line 6 that "Many small rural post offices have already closed."

- (a) What is the source of this claim?
- (b) How many Post Offices were discontinued between 1996 and 2009?
- (c) For purposes of the questions below, a "management-initiated" discontinuance action means a discontinuance action where management conducts a feasibility study and discontinuance action due to a Postmaster vacancy.
 - (i) Please confirm that Postal Service management did not initiate any management initiated discontinuance actions of Post Offices between 2002 and 2008. If not confirmed, please explain your response.
 - (ii) Please confirm that you or your predecessors were personally involved in discussions with Postal Service management relating to decisions not to pursue management-initiated Post Office closings between 2002 and 2008. If not confirmed, please explain your response.

RESPONSE:

- (a)-(b) See Mr. Boldt's testimony on page 10.
- (c) Objections filed.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-39

At page 13 of your testimony, you state, "The Postal Service has not taken into account the full extent of the costs of extending delivery to those customers who will now receive their mail at their home, nor the cost of servicing an NDCBU by the carrier if that is the chosen delivery mode."

- (a) How many Post Office discontinuance records did you review before finalizing your testimony?
- (b) Do you deny that when Rural or Highway Contract Route delivery is provided as replacement service in a Post Office discontinuance action, the cost of replacement service is included in the economic savings calculation in the Proposal and Final Determination?
- (c) Have you ever established Rural or Highway Contract Route service for new delivery points?
- (d) If the answer to part (c) is affirmative, how did you estimate the cost of providing this service?
- (e) How are rural carriers compensated for serving additional delivery points on an existing route?
- (f) How is remuneration determined for Highway Contract Route carriers determined for serving additional delivery points on an existing route?

RESPONSE:

(a) Perhaps 15 or 20.

(b)-(f) See cross examination of Mr. Boldt at transcript 421-422 where he admits that there will be extra costs, and that the Postal Service did not take into account the FULL extent of costs of extending service. The reason for this is that one does not know the full extent of costs until one takes into account what type of delivery will be provided, what type of boxes, cluster boxes, road side boxes, etc. That does not happen until the actual implementation. Moreover, were the carrier to provide retail services, that could significantly increase the compensation a carrier receives.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-40

At page 16 of your testimony, you state "If a rural post office disappears, the town often disappears."

- (a) Did you personally conduct research before making this claim? If so, please provide all data gathered in the course of your research.
- (b) Please define the term "disappears" as that term is used after the term "often" in your statement.
- (c) Please quantify the frequency to which you refer by use of the term "often."

RESPONSE:

- (a) No
- (b) Ceases to exist as a viable, independent community

(c) I cannot quantify the word "often." It is not necessarily a quantifiable word. It means "many times." "More likely than not." "More frequently than not." "In many cases."

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-41

At page 13 of your testimony, you state that "many of the elderly in these communities do not drive or have licenses enabling them to go to the nearest town."

- (a) Define "elderly" as used in your statement.
- (b) What studies or data did you consult prior to finalizing your testimony on the proportion of elderly retail customers that are served by the Post Offices in the RAO Initiative? Please furnish copies of any such studies or data.
- (c) What studies or data did you consult prior to finalizing your testimony on the proportion of elderly delivery customers that are served by the Post Offices in the RAO Initiative? Please furnish copies of any such studies or data.
- (d) What studies or data did you consult prior to finalizing your testimony on the proportion of elderly retail or delivery customers that do not have driver's licenses?

RESPONSE:

(a) Those of advanced age.

(b)-(c) I relied on my personal observations and the the observations made by League members and postmasters across the nation. Moreover, as I pointed out in my answer to interrogatory USPS/NLPM-RT1-21, rural communities tend to have more elderly people than urban communities. Thus, logic suggests that since the RAO is aimed at rural areas, it is aimed at communities where a disproportionate number of elderly people live.

(d) I do not need to consult a study to know that many senior citizens have given up or lost their driver's licenses.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-42

At page 13 of your testimony, you state:

Rural post offices currently provide the following services: stamps, First Class Mail (domestic and international), Priority Mail, Priority Flat Rate Boxes/Envelopes, Express Mail, Certified Mail, Registered Mail, return receipt, Insured Mail, Certificate of Mailing, restricted delivery, collect on delivery, special handling, adult signature required, media mail, parcel post, money orders, signature confirmation, delivery confirmation, bulk mail acceptance, zip code information, international mail, customs forms, file a change of address, stamped envelopes and postcards, Ready Post products and supplies, Sure Money, mailing requirements, file an insurance claim and safe and secure mail box services.

- (a) Identify the services in the list in the quoted passage above that are never provided by rural carriers while serving customers on a rural route.
- (b) Identify the services in the list in the quoted passage above that are never provided by Highway Contract Route carriers while serving customers on their routes.
- (c) Identify the services in the list in the quoted passage above that are never provided by contractor-operated community post offices.

RESPONSE:

Objections filed.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-T1-43

On page 20, lines 5-15, you refer to a Gallup poll recounting the public's opposition to Post Office discontinuance.

- (a) Did you participate in the survey design or direct the conduct of the survey?
- (b) Please provide the following: a description of the study plan underpinning the survey described in your testimony, a clear description of the study design, all relevant assumptions underpinning the survey, the techniques or procedures used to compile the data, the definition of the universe under study, and the sampling frame and units surveyed.
- (c) Please provide the following: the date (month, day, and year) on which the survey began and the date (month, day, and year) on which the survey ended (i.e., the survey period).
- (d) Please provide a complete copy of the survey, including all questions posed to survey participants, all instructions provided to survey participants, and, if available to you, complete copies of the individual survey responses received from participants. Names of specific individuals may be redacted.
- (e) Please provide the total number of persons who were provided with an opportunity to participate in the survey
- (f) Please state your understanding of the extent to which the Gallup survey referenced on pages 20-21 of your testimony sought customer reactions to the closure of a local post office branch in the context of a determination that a nearby postal location in combination with one or more alternate access sites were deemed capable of providing the postal services they sought.

RESPONSE:

- (a) No. This is a publicly available Gallup Poll, available on the Gallop web site, the citation of which is in my testimony.
- (b)-(f) Objections filed.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-44

On page 19 of your testimony, you recount the experience of Ireland, England, and Wales describing harm to communities attributed to the closing of small rural post offices.

- (a) Explain why the experience of England, Ireland, and Wales is relevant to postal retail operations in the United States?
- (b) What published academic papers or other widely circulated analyses have you performed comparing the experience of Post Office operations and discontinuance efforts in England, Ireland, and Wales with those in the United States? Please provide citations to such publications and internet links to copies of such papers and analyses.

RESPONSE:

(a)-(b) The experience of other rural areas and other countries is always of interest. Often, in postal matters, the size and scope of the American experience, both in terms of distances and terrain make the European experience not that applicable to the United States on a macro scale. On a micro scale, such as how a business in a small rural town might react to the closing of a post office, there are always lessons to be considered.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-45

At pages 34 to 35 of your testimony, you identify a number of criteria that should be considered when conducting Post Office discontinuance.

- (a) For each numbered item in your list, please identify the source of authority that you believe requires consideration of each such numbered item.
Please identify the source of authority for each numbered item.
- (b) Do you deny that local Post Office discontinuance personnel gather or receive information responsive to each numbered item? Please explain your response.

RESPONSE:

(a)-(b) 39 U.S.C. § 404(d) provides the list of criteria Congress said the Postal Service should consider, and good sense and experience, and prior PRC precedent, suggest the other criteria I offer.

It is also the list from the study done by Rich Margolis. "At the Crossroads" was based on the research he did.

It is not part of the questionnaire, it is not part of the computer program that initiates the study and it is not part of any of the community questions that have been shared with me. With the exception of number 7 regarding business in town I have not seen any of these criteria addressed in the official closing docket or with regard to community impact on appeals sent through the PRC.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-46

At page 30 of your testimony, you state that, "People in small towns who are not mobile for any reason (no car, disability, etc.) will not be able to be present at these meetings, and these are the same people with the most desperate need for a local Post Office. This reduces the value of even holding a community meeting."

- (a) Do you deny that persons of limited mobility (no car, disability) could be transported to community meetings by family, friends and neighbors? If your answer is affirmative, please explain your response.
- (b) Do you deny that the Postal Service provides the following other means to solicit customer input, including:
 - (i) Questionnaires mailed to delivery customers of a Post Office being studied for discontinuance, and
 - (ii) Comment forms provided with the posting of the proposal.
- (c) What research was performed to arrive at your conclusions at page 30?
- (d) Was this research performed by you or under your direction?
- (e) Please provide the following: the date (month, day, and year) on which the research began and the date (month, day, and year) on which the research ended (i.e., the survey period).
- (f) Please provide a complete copy of the research results.

RESPONSE:

- (a) Its possible, although if the meeting are at times when many work, or in locations that make it difficult to get to when most people are working, then no..
- (b) In many cases they did not use to do that. A stack of cards on a shelf in the post office was sometimes used as "Notice."
- (c)-(f) I have relied on my personal experience and the observations made by League members and Postmasters across the nation.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-47

Please refer to your testimony at pages 34-35.

- (a) Assume, hypothetically, among many customers who visit a particular RAO Initiative candidate Post Office, the existence of 2 customers whose mail receiving and sending patterns, frequency and nature of Post Office visits, and ability to conduct transactions are virtually identical in every respect. One customer is 35 years old and the other is 65 years old. Please discuss how and why the Postal Service should treat one customer differently than the other in a socially significant way.
- (a) Assume, hypothetically, among many customers who visit a particular RAO Initiative candidate Post Office, the existence of 2 customers whose mail receiving and sending patterns, frequency and nature of Post Office visits, and ability to conduct postal transactions are virtually identical in every respect. One customer is a member of a minority group, as you use the term, and the other is not. Please discuss how and why the Postal Service should treat one customer differently than the other in a socially significant way.

RESPONSE:

(a)-(a) They may have different needs. Having the post office in that town for the 65 year old, for instance, may be considerably more important than it is for the 35 year old, for the reasons discussed in my testimony, these interrogatory Responses and the testimony of Mayor Hobbs. A federal government public service institution has to consider the special needs of the citizens of the United States. As for the question of the member of a minority group, it would depend upon whether the minority group had any special or different needs and I cannot tell that from your question.

My testimony was pointing out how the *absence* of the post office will adversely affect certain groups — seniors (who may not be into computers, who walk to the post office, who need a little help from the postmaster for doing postal business, etc.), the poor (who probably aren't hooked up to broadband internet, who don't have a bank and need to use money orders, etc), and minority populations (for whom a neighborhood post office helps keep support local businesses and keeps a struggling neighborhood going, etc.).

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-48

At page 28, lines 1-5 of your testimony, you state, "the fact that the methodology used to calculate other hours is fundamentally flawed, resulting in the data being skewed. The bottom line of this is that the output from the formulas is highly unreliable and should not be used for the type of evaluative purposes that they are being used for here."

- (a) What specific data in particular do you consider to be "fundamentally flawed?"
- (b) What specific data do you consider to be "skewed"?
- (c) Do local Post Office discontinuance officials fail to consider other factors in conducting a discontinuance feasibility study other than the data you identify in parts (a) and (b)?
- (d) If your answer to part (c) is affirmative, then do you claim that local officials are not following the requirements of Handbook PO-101 in gathering and considering information received in connection with Post Office discontinuance studies?
- (e) If your answer to part (c) is negative, then what other types of information do local Post Office discontinuance officials consider?

RESPONSE:

- (a) and (b) Response forthcoming.
- (c) – (e) Objection filed.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-49

At page. 14, lines 2-4 of your testimony, you state "A United States citizen in a rural town would not have reasonable access to postal services enabling him or her to send a care package, or to purchase a money order to pay a bill."

- (a) Do you deny that Rural or Highway Contract Route carriers may retrieve packages for mailing from customers through their mailboxes or collection box units?
- (b) Do you deny that Rural or Highway Contract Route carriers may sell money orders by collecting funds and instructions from customers?
- (c) Did Rural and Highway Contract Route carriers reporting to you or your subordinates when you served as a Postmaster retrieve, while serving their routes, packages for mailing from customers?
- (d) Did Rural and Highway Contract Route carriers reporting to you or your subordinates when you served as a Postmaster sell money orders?

RESPONSE:

Objections filed.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-50

At pages 12-15 of your testimony, in discussing Village Post Offices (VPO), you state "The Postal Service's preferred substitute, where any local post office will even be provided, is only a very limited-service retail outlet with three services sold by whoever happens to be behind the counter."

- (a) Provide support for your claim that the VPO concept is postal management's "preferred" substitute.
- (b) Does your testimony claim that management believes that the VPO is a substitute for a Post Office, to the exclusion of other alternate access channels, such as Rural and Highway Contract Route carriers? If not, please explain your response.

RESPONSE:

- (a) That is my understanding from conversations I have had with top postal officials.
- (b) As detailed other places, Rural and Highway Contract Carriers are not really a reasonable substitute since no one knows exactly where they will be at any given time and expecting people to wait by their rural mail boxes in the heat of summer or the cold of winter is not reasonable. At least Village Post Offices don't move all the time.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-51

At page 14 of your testimony, you state, "with the new top-down approach and a Vice President from Headquarters giving the directive to close offices, very few District Managers will ever push back to challenge such a Headquarters decision."

- (a) Did you review Handbook PO-101 revised as of July 2011 prior to finalizing your testimony?
- (b) If your answer to part (a) is affirmative, identify the sections of the Handbook PO-101 that you reviewed that identify a role for a Headquarters Vice President, and briefly describe what those sections say.
- (c) Do you claim that the "top-down" approach provides that a Headquarters Vice President directs the closing of Post Offices by directing field managers to close them? If your answer is affirmative, please explain your response.
- (d) Please confirm, with citations to the current Handbook PO-101, the role that a Headquarters Vice President exercises in connection with the discontinuance of a Post Office, including (i) the initiation of the study of a retail facility for possible discontinuance action, and (ii) the review and signing of a final determination prepared by field management.

RESPONSE:

- (a) Yes.
- (b) and (d) Objections filed.
- (c)-(d) What I am testifying to is the way that this process is going to work in the field, not what some manual says is supposed to happen. The gap that exists between theory (the manual) and reality (what is happening in the field) is very large in this particular situation. Moreover, sometimes the gap between what the Postal Regulatory Commission is told is supposed to happen in the field, and what really happens in the field is quite large. This is one of those cases.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-52

At pages 14-15 of your testimony, you state, "It just wouldn't be a good career move. In fact, what used to be a District Manager-directed initiative now requires that any change to the top-down request requires a minimum of an Area Vice President's approval before a discontinuance is stopped."

- (a) Identify the sections of the current USPS Handbook PO-101 that identify a role for a Area Vice President, and describe briefly what those sections say.
- (b) Please confirm that the current USPS Handbook PO-101 identifies a role for an Area Vice President to approve any change to a "top-down" request for the initiation of a feasibility study. If you do not confirm, then please explain your response.

RESPONSE:

Objections filed.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-53

At page 15 of your testimony, you state, "the truth is that this initiative is aimed at rural America"

- (a) Please confirm that your statement is based on the proportion of Post Offices that are the subject of the RAO initiative, as compared to the sum total of Post Offices, stations, and branches that are part of the RAO initiative. If not confirmed, please explain your response.
- (b) In making the above quoted statement, did you also examine the number of retail transactions performed at Post Offices that are part of the RAO Initiative, as compared to the retail transactions performed at stations and branches that are part of the RAO Initiative? If so, please identify the data that you evaluated and their sources, and provide copies if such information is not in the record in this proceeding.

RESPONSE:

- (a) Confirmed. I would also add that those post offices play a role in their communities that most of the branches and stations in this initiative do not.
- (b) No I do not see the relevance in that comparison. This initiative would deprive rural America of a critical part of its infrastructure by closing those post offices and it would not do that to urban America. It is thus aimed at rural America.

Response of National League of Postmaster Witness Mark Strong to Interrogatory of Postal Service

USPS/NLPM-RT1-54

At page 18, lines 7-9 of your testimony, you describe the experience of Jerome, Arizona, which transformed itself into a thriving arts community, and David, Kentucky, which revitalized itself.

- (a) Identify records or other information that you reviewed that attribute each community's transformation to the presence of a Post Office, and provide copies of such records or information.
- (b) Over what period of time did each transformation occur?
- (c) What was the average number of daily retail transactions at each Post Office for the fiscal year prior to the transformation?
- (d) What was the average number of daily retail transactions at each Post Office for the fiscal year after the transformation?

RESPONSE:

- (a) and (b) This is based on my personal knowledge of the two situations.
- (c) and (d) Objections filed.